

FILING FOR WATER IN THE STATE OF UTAH

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DIVISION OF
OIL, GAS & MINING

APPLICATION TO APPROPRIATE WATER

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah.

WATER USER CLAIM NO. 09 - 1494

APPLICATION NO. T62208

1. PRIORITY OF RIGHT: December 12, 1986

FILING DATE: December 12, 1986

2. OWNER INFORMATION

Name: Yates Petroleum Corporation
Address: 105 South Fourth Street, Artesia, NM 88210
The land is not owned by the applicant(s), see explanatory.

3. QUANTITY OF WATER: 5.0 acre feet (Ac. Ft.)

4. SOURCE: Artesian Well DRAINAGE: San Juan River

POINT(S) OF DIVERSION:

COUNTY: San Juan

(1) N. 50 feet, W. 480 feet, from the E $\frac{1}{4}$ Corner of Section 12,
Township 38 S, Range 24 E, SLB&M

Description of Diverting Works: 8 inch diameter well 506 ft.

COMMON DESCRIPTION: 7.5 mi. No. Hatch Trading Post

5. STORAGE

Water is to be stored in Unnamed reservoir from January 1 to December 31.
Capacity 5.0 ac.ft. Innundating 0.25 acres. Height of dam feet.
The area Innundated by the reservoir includes all or part of each of the following legal subdivisions.

TOWN	RANGE	SEC	North East Quarter				North West Quarter				South West Quarter				South East Quarter			
			NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$
38 S	24 E	12	X															

All locations in Salt Lake Base and Meridian

6. NATURE AND PERIOD OF USE

Oil Exploration From December 15 to December 15.

7. PURPOSE AND EXTENT OF USE

Oil Exploratio: oil well drilling

8. PLACE OF USE

The water is used in all or parts of each of the following legal subdivisions.

TOWN	RANGE	SEC	North East Quarter				North West Quarter				South West Quarter				South East Quarter			
			NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$	NE $\frac{1}{4}$	NW $\frac{1}{4}$	SW $\frac{1}{4}$	SE $\frac{1}{4}$
37 S	24 E	31	X															

All locations in Salt Lake Base and Meridian

EXPLANATORY

Appropriate

STATE ENGINEER'S ENDORSEMENT

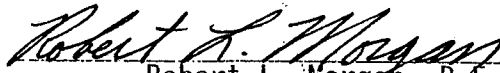
WATER RIGHT NUMBER: 09 - 1494

APPLICATION NO. T62208

1. December 12, 1986 Application received by MP.
2. December 12, 1986 Application designated for APPROVAL by MP and SG.
3. Comments:

Conditions:

This application is hereby APPROVED, dated December 19, 1986, subject to prior rights and this application will expire on December 19, 1987.



Robert L. Morgan, P.E.
State Engineer



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

S. P. YATES
PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

December 19, 1986

RECEIVED
DEC 23 1986

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

**DIVISION OF
OIL, GAS & MINING**

ATTENTION: Ms. Arlene Sollis

RE: Exception to the locations for:
Yates Petroleum Corporation's
McCracken Spring #3-31
860' FNL and 2430' FEL of
Section 31-T37S-R24E
San Juan County, Utah

Dear Ms. Sollis:

Yates Petroleum Corporation hereby requests an exception to Rule 302 of the Oil and Gas Conservation's general rules and regulations orders. Yates Petroleum Corporation hereby is requesting that the unorthodox location for the McCracken Spring #3-31 be favorably approved by the State of Utah, Division of Oil, Gas and Mining.

The reasons for moving the location unorthodox was due to geological and topographical reasons. With our interpretation of all materials and information it was determined that this location was best for wildcat drilling activities.

We control the surrounding acreage within a 460 foot radius. A copy of a topographical map is enclosed showing the outline of the lease.

If you have any questions regarding this matter, please contact Abo's geologist, Mr. Steve Speer at 505-748-1471.

Thank you for your cooperation in this matter.

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**

DATE: 12-24-86
BY: John R. Bay

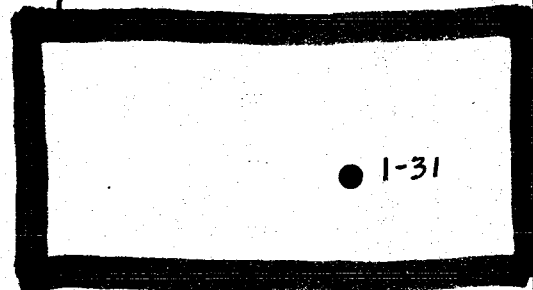
CC:rj

Enclosures

Sincerely yours,

Cy Cowan
Regulatory Agent

460' { McCracken Spring
#3-31



Sec. 31
375-24E

2-31

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐
SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Yates Petroleum Corporation

3. ADDRESS OF OPERATOR
105 South Fourth Street - Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 860' FNL & 2430' FEL

At proposed prod. zone

UNORTHODOX LOCATION NW/NE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Same PROPER PAPERWORK HAS BEEN SENT TO STATE OF UTAH

Approximately 7 miles northwest of Hatch Trading Post

10. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any) 860'

16. NO. OF ACRES IN LEASE
906.3

17. NO. OF ACRES ASSIGNED
TO THIS WELL 80

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
6395' about

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, BT, GR, etc.)

5709' GR

22. APPROX. DATE WORK WILL START*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48# H-40	Approx. 100'	50 sacks
12-1/4"	8-5/8"	24# J-55	" 2255'	900 sacks - circulate
7-7/8"	5-1/2"	15.5# J-55	TD	400 sacks

We propose to drill and test the Akah and intermediate formations. Approximately 2255' of surface casing will be set and cement circulated to shut off gravel and cavings.

If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW to 5500'; fresh water gel to TD. MW 9.0-10.4, Vis 35-45, FL 10-15

BOP PROGRAM: BOP's will be nipped up when intermediate casing is set.

RECEIVED
DEC 31 1986

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Cy Cowan TITLE Regulatory Agent DATE Dec. 19, 1986

(This space for Federal or State office use)

PERMIT NO. 43-037-31299

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE

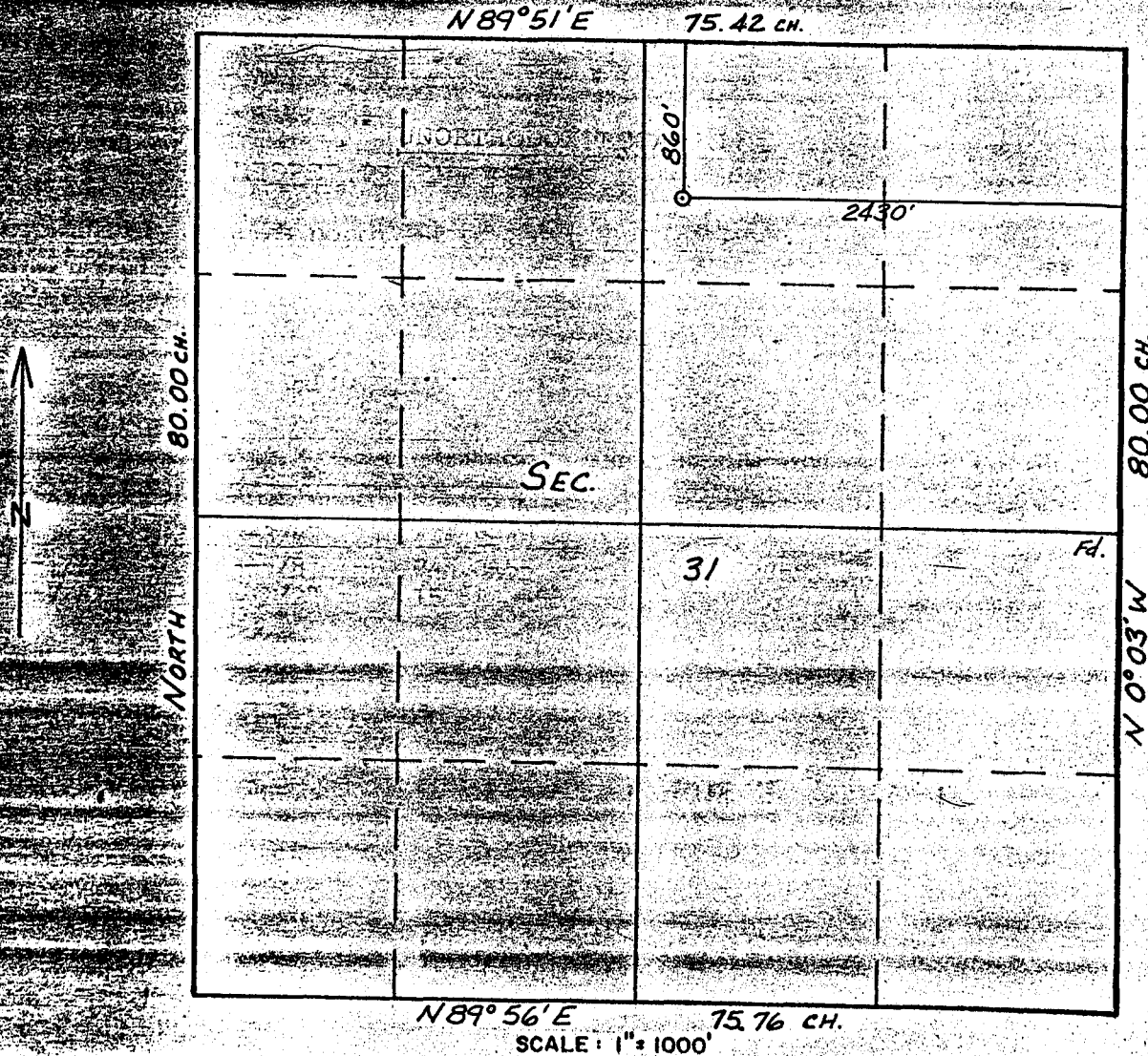
DATE: 11-5-86

BY: John R. Baya

*See Instructions On Reverse Side

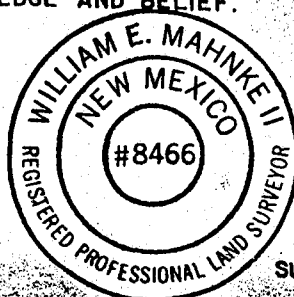
WELL SPACING: 302.1

COMPANY YATES PETROLEUM CORPORATION
LEASE McCRACKEN SPRING WELL NO. 3-31
SEC. 31, T. 37 S, R. 24 E
COUNTY San Juan STATE Utah
LOCATION 860' FNL & 2430' FEL
ELEVATION 5709



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEAL:



William E. Mahnke II
WILLIAM E. MAHNKE II
NEW MEXICO P.L.S. N° 8466

SURVEYED DEC. 8, 1986

YATES PETROLEUM CORPORATION
McCRACKEN SPRING #3-31
860' FNL & 2430' FEL of
Section 31-37S-24E
San Juan County, Utah

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geological surface formation is the Dakota formation.
2. The estimated tops of geologic markers are as follows:

Surface	Dakota	Paradox	5850'
Entrada	1020'	Upper Ismay	6000'
Navajo	1220'	Lower Ismay	6170'
Wingate	1865'	Upper Desert Creek	6250'
Chinle	2130'	Lower Desert Creek	6310'
Cutler	2915'	Akah	6350'
Honaker Trail	4780	TD	6395'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered are:

Water:

Oil or Gas:

4. Proposed Casing Program:

Surface casing:

There will be one stage of cement. Cemented with 900 sacks of Class "C" 2% CaCl₂ (700 cubic feet of cement) circulated. Casing shoe will be set at approximately 2255' and float equipment set at approximately 2215'.

Production Casing:

There will be one stage or as warranted of cement. Cemented with enough Class "C" to equal 225 cubic feet or approximately 310 sacks to reach estimated top at 5000'. Float collar will be set at approx. 40' above TD with casing shoe set at TD.

- NOTE: The San Juan Resource Area will be notified 1 day prior to running casing strings and cement.
5. Pressure Control Equipment: See Form 9-331C. NOTE: The San Juan Resource Area will be notified 1 day prior to pressure testing.
6. Mud Program:

Fresh water from 0-5500'; Fresh water gel from 5500-TD with a MW 9.0-10.4, Vis 35-45 and FL 10-15 cc.

8. Testing, Logging and Coring Program:

Samples: 10' samples caught out from under surface casing to TD.
DST's: Two (2) possible
Coring: None
Logging: DIL & DNL/LDT from TD to casing. Possible dipmeter and sonic.

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.

MOAB DISTRICT

CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company YATES PETROLEUM CORPORATION Well Name McCracken Spring #3-31
Location: Section 31 Township 37S Range 24E
County San Juan State Utah Lease No. U-51846
860' F NL, 2430' F EL

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM:

1. Surface Formation and Estimated Formation Tops: _____

2. Estimated Depth at Which Oil, Gas, Water or Other Minerals Bearing Zones are Expected to be Encountered:

	<u>Formation</u>	<u>Zone</u>
Expected Oil Zones:	_____	_____
Expected Gas Zones:	_____	_____
Expected Water Zones:	_____	_____
Expected Minerals Zones:	_____	_____

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth, cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: _____

3. CONTINUED:

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventors will be pressure tested before drilling casing cement plugs. The San Juan Resource Area (will/will not be notified _____ days before pressure testing.

4. Casing Program and Auxiliary Equipment: _____

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The San Juan Resource Area (will/will not) be notified _____ days before running casing strings and cement.

5. Mud Program and Circulating Medium: _____

6. Coring, Logging and Testing Program: _____

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analysis, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. If requested, samples (cuttings, fluids and/or gases) will be submitted to the District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards: _____

8. Anticipated Starting Dates and Notifications of Operations:

The operator will contact the San Juan Resource Area at 801-587-2001, 48 hours before beginning any dirt work.

No location will be constructed or moved, no well will be plugged and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the San Juan Area Manager, a minimum of 24 hours before spudding. A Sundry Notice (Form 3160-5) will be sent within 24 hours after spudding, reporting the spud date and time. The Sundry will be sent to the District Manager. If the spudding is on a weekend or holiday, the Sundry will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329 "Monthly Report of Operations," starting with the month in which operations begin and continue each month until the well is physically plugged and abandoned. This report will be sent to the BLM District Office, P. O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.

If a replacement rig is planned for completion operations, a Sundry Notice (Form 3160-5) to that effect will be filed, for prior approval of the District Manager. All conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergencies, verbal approval can be given by the District Petroleum Engineer.

If the well is successfully completed for production, then the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 business days following the date on which the well is placed on production.

No well abandonment operations will begin without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5), will be filed with the District Manager within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration.

Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the San Juan Area Manager, or the appropriate surface manager.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently beaded-on with a welding torch: Fed, Well number, location by 1/4 1/4 section, township and range, lease number.

A first production conference will be scheduled within 15 days after receipt of the first production notice. The San Juan Area Manager will schedule the conference.

Other: The following may be inspected and/or witnessed:

1. The cementing and testing of surface casing and testing BOP's.
2. (Dry Hole) Setting and testing of surface casing shoe plug.
3. (Depleted Producer) The setting and testing of plugs across the producing horizon and if applicable the surface casing shoe plug and/or annulus (Casing to formation) squeeze jobs.

Notify the San Juan Resource Area (Mike Wade) one day or on dry hole as soon as possible prior to the above at 801-587-2201 (Home 801-587-2026 or if unable to reach Mike, call Moab District Office Greg Noble at 801-259-6111 (Home) 801-259-8811.

B. THIRTEEN POINT SURFACE USE PLAN

1. Existing Roads:

A. Location of proposed well in relation to town or other reference point:

Approximately 7 miles northwest of Hatch Trading Post

B. Proposed route to location: Refer to Exhibit A

C. Plans for improvement and/or maintenance of existing roads: County

maintained road. Existing and new access will be maintained in good or better condition.

The maximum total disturbed width will be 25 feet.

D. An encroachment permit will be obtained from the San Juan County Road Department, 801-587-2231, ext. 43.

E. Other: _____

2. PLANNED ACCESS ROADS

- A. The maximum total disturbed width will be 25 (width) feet.
- B. Maximum grade: 10% or less
- C. Turnouts: As needed
- D. Location (centerline): Flagged
- E. Drainage: As needed
- F. Surface Materials: Native
- G. Other: If well is drilled during wet weather conditions, surfacing materials may be required.

Each fence which is crossed by the road will be braced as shown in Enclosure No. 1, and tied off before cutting to prevent slackening of the wire. A gate or cattleguard which must be approved by BIM, will be installed.

If road construction cuts through natural topography which serves as a livestock barrier, a fence shall be constructed as shown in Enclosure 1.

Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance by the San Juan Area Manager.

The access road will be water barred or brought to Class III Road Standards within 60 days of dismantling of the drill rig. If this time frame cannot be met, the San Juan Area Manager will be notified so that temporary drainage control can be installed along the access road.

The Class III Road Standards which ensure drainage control over the entire road through the use of natural, rolling topography; ditch turnouts; drainage dips; outsloping; crowning; low water crossings; and culverts will be determined at the appropriate field inspection.

- 3. Location of Existing Wells: See One-Mile radius map. Exhibit E is enclosed.

- 4. Location of Tank Batteries and Production Facilities:

All permanent (on site for 6 months or longer) above ground facilities (including pump jacks) will be painted a flat, nonreflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5-State Inter-agency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The color will be _____.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place before any deliveries. Tests for meter accuracy will be conducted monthly for the first 3 months on new meter installations and at least quarterly thereafter. The San Juan Area Manager will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the San Juan Area Manager. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. LOCATION AND TYPE OF WATER SUPPLY

All water needed for drilling purposes will be obtained from: Private source

Use of water for this operation will be approved by obtaining a temporary use permit from the Utah State Engineer (801) 637-1303 and by receiving permission from the land owner or surface management agency to use the land containing the water source.

6. SOURCE OF CONSTRUCTION MATERIALS

Pad construction material will be obtained from: N/A Private source

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Construction material (will/will not) be located on lease.

7. METHODS OF HANDLING WASTE DISPOSAL

The reserve pit (will/will not) be lined with commercial bentonite sufficient to prevent seepage. At least half of the capacity will be in cut.

Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

7. CONTINUED:

A trash pit will be constructed near the mud tanks and dug at least six feet into solid undisturbed material. It will be totally enclosed with a fine wire mesh before the rig moves in. The road and pad will be kept litter free.

A burning permit is required for burning trash between May 1 and October 31. This can be acquired by contact the San Juan County Sheriff in Monticello, Utah.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed 90 days after initial production. During the 90 day period an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

8. ANCILLARY FACILITIES

Camp facilities (~~will~~/will not) be required.. They will be located: N/A

9. WELL SITE LAYOUT

The reserve pit will be located: Federal surface; see Exhibit C

The top _____ inches of soil material will be removed from the location and stockpiled separate from the trees on the _____ side. Topsoil along the access will be reserved in place.

Access to the well pad will be from: _____

10. RECLAMATION

- A. Immediately on completion of drilling, all trash and debris will be collected from the location and surrounding area. All trash and debris will be disposed of in the trash pit and will then be compacted and buried under a minimum of two feet of compacted soil.
- B. The operator/holder or his contractor will contact the San Juan Resource Area office in Monticello, Utah, 801-587-2201, 48 hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.
- C. Before any dirt work to restore the location takes place, the reserve pit must be completely dry.
- D. All disturbed areas will be recontoured to blend as nearly as possible with the natural topography. This includes removing all berms and refilling all cuts.
- E. The stockpiled topsoil will be spread evenly over the disturbed area. All disturbed areas will be ripped _____ inches deep with the contour.
- F. Water bars will be built as follows to control erosion.

10. CONTINUED

GRADE

SPACING

2%

every 200 feet

2-4%

every 100 feet

4-5%

every 75 feet

5+%

every 50 feet

G. Seed will be broadcast between October 1 and February 28 with the following prescription. A harrow or similar implement will be dragged over the area to assure seed cover.

- _____ lbs/acre Indian ricegrass (Oryzopsis hymenoides)
- _____ lbs/acre Galleta (Hilaria jamesii)
- _____ lbs/acre crested wheatgrass (Agropyron desertorum)
- _____ lbs/acre Western wheatgrass (Agropyron smithii)
- _____ lbs/acre Alkali sacaton (Sporobolus airoides)
- _____ lbs/acre Sand dropseed (Sporobolus cryptandrus)
- _____ lbs/acre Fourwing saltbush (Atriplex canescens)
- _____ lbs/acre Shadscale (Atriplex confertifolia)
- _____ lbs/acre Green ephedra (Ephedra viridis)
- _____ lbs/acre Cliffrose (Cowania mexicana)
- _____ lbs/acre Desert bitterbrush (Purshia glandulosa)
- _____ lbs/acre Winterfat (Eurotia lanata)
- _____ lbs/acre Globemallow (Sphaeralcea ambigua)
- _____ lbs/acre Wild sunflower (Helianthus annuus)
- _____ lbs/acre

H. After seeding is complete, the stockpiled trees will be scattered evenly over the disturbed areas. The access will be blocked to prevent vehicular access.

I. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed as described in the reclamation section. Enough topsoil will be kept to reclaim the remainder of the location at a future date. This remaining stockpile of topsoil will be seeded in place using the prescribed seed mixture.

11. Surface Ownership: Federal surface

Minerals Ownership: Federal minerals

12. Other Information: _____

12. CONTINUED:

There will be no change from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be used. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

If subsurface cultural materials are exposed during construction, work in that spot will stop immediately and the San Juan Resource Area Office will be contacted. All people who are in the area will be informed by the operator/holder that they are subject to prosecution for disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will be done by a BLM approved archaeologist only if damage occurs.

This permit will be valid for a period of one year from the date of approval. After permit termination a new application will be filed for approval for any future operations.

Your contact with the District Office is: _____

Office Phone: _____ Address: _____

Resource Area Manager's address and contacts:
Address: _____

Your contact is: _____

Office Phone: _____

13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION
Representative:

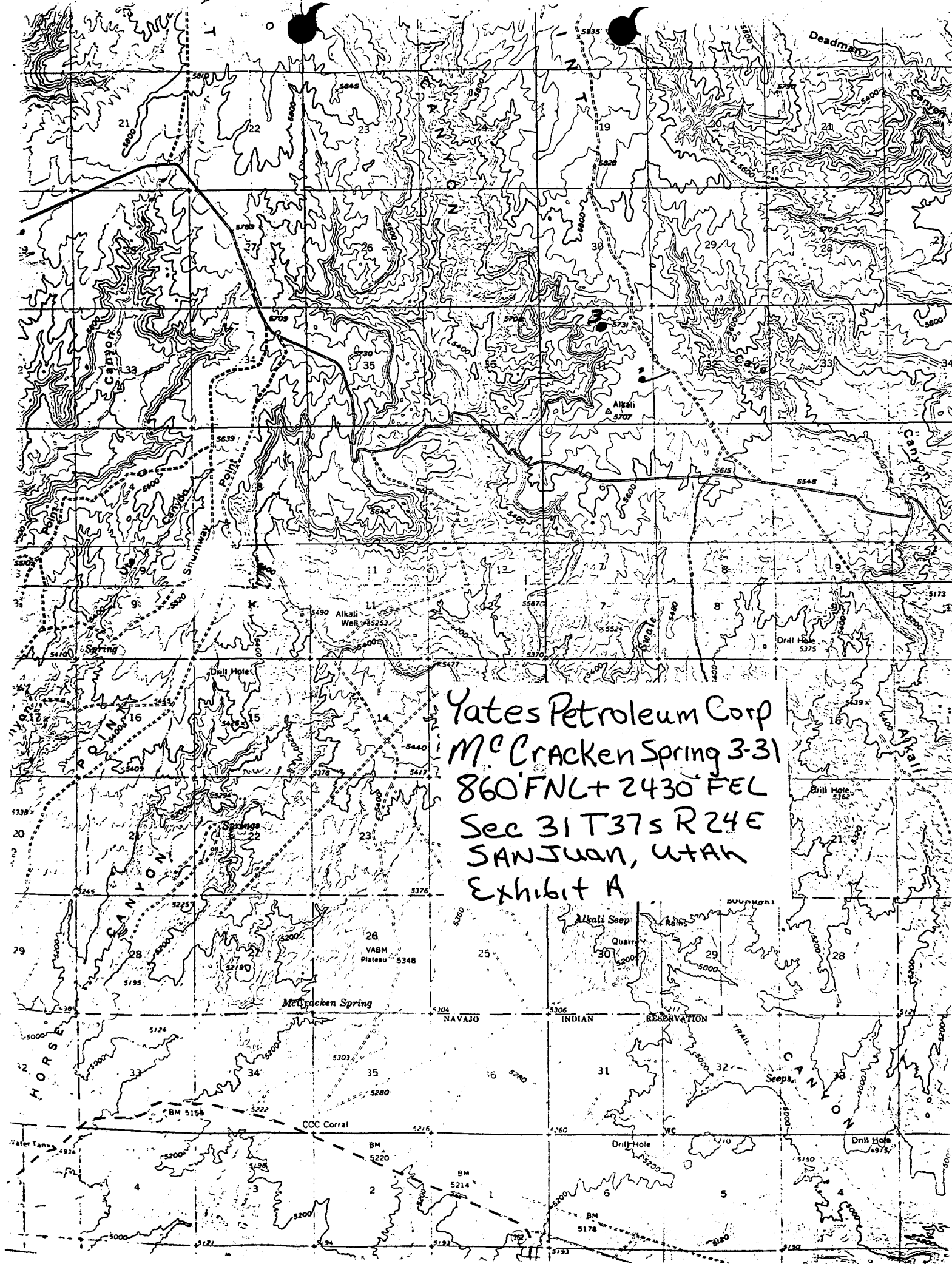
Name: Yates Petroleum Corporation
Address: 105 So. 4th St. - Artesia, NM 88210
Phone No. 505-748-1471

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date

Cy Cowan
Regulatory Agent

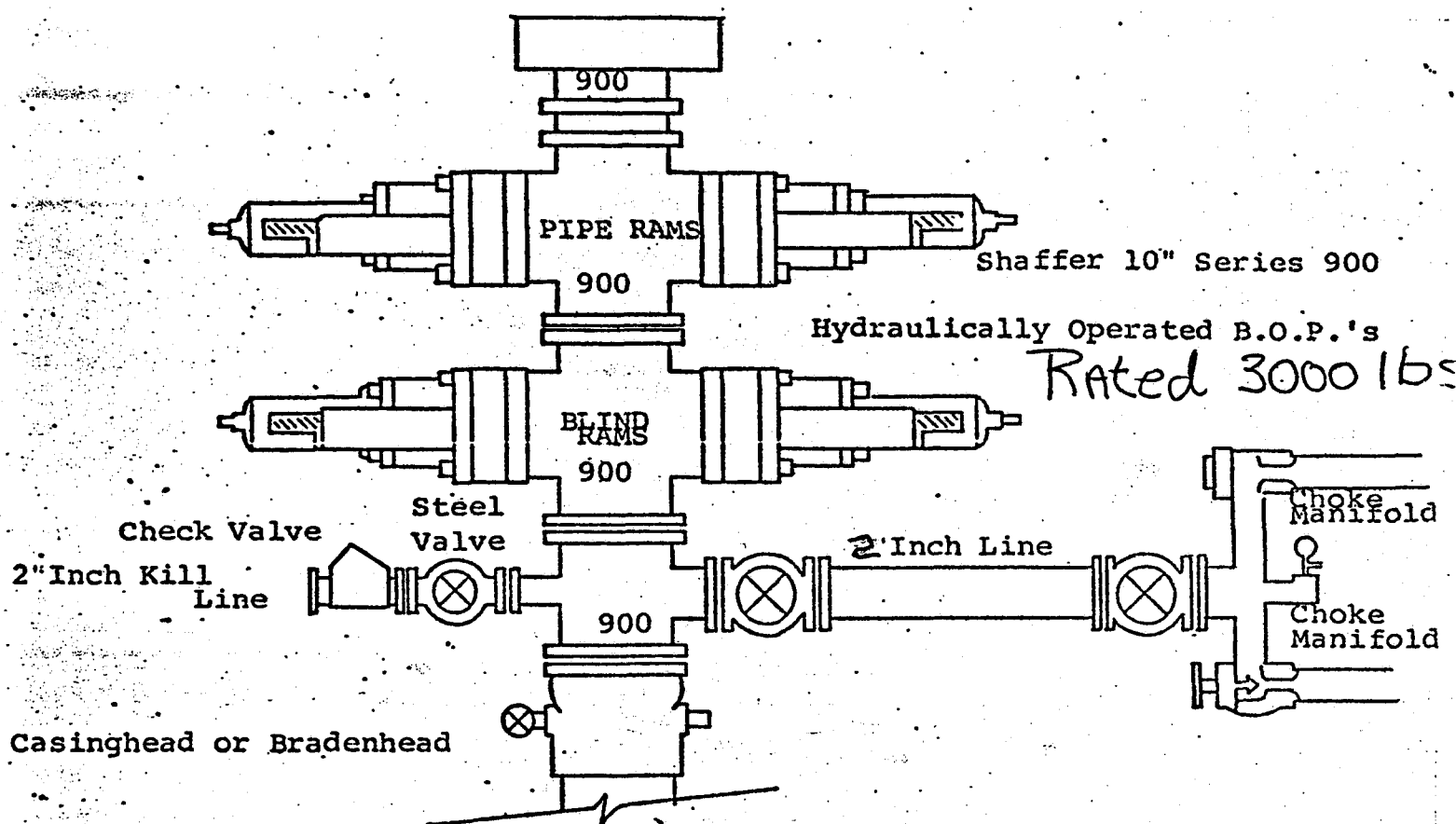


Yates Petroleum Corp
McCracken Spring 3-31
860' FNL + 2430' FEL
Sec 31 T37s R24E
SAN JUAN, UTAH
Exhibit A

Vicinity Map for
YATES PETROLEUM CORPORATION
#3-31 McCRACKEN SPRING
860' FNL & 2430' FEL
Sec. 31, T37S, R24E
San Juan County, Utah



Exhibit B



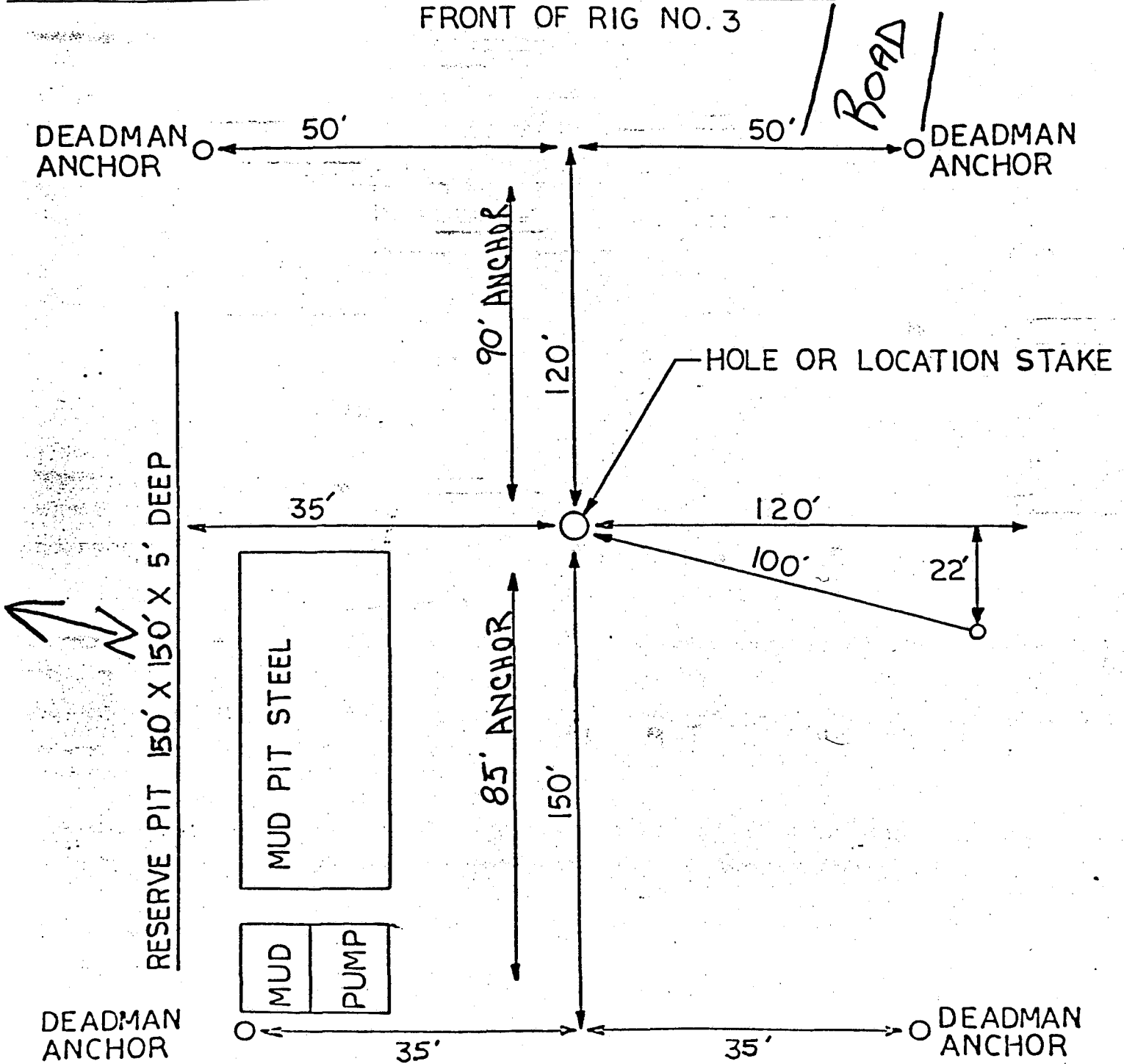
THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 2" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel, hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.

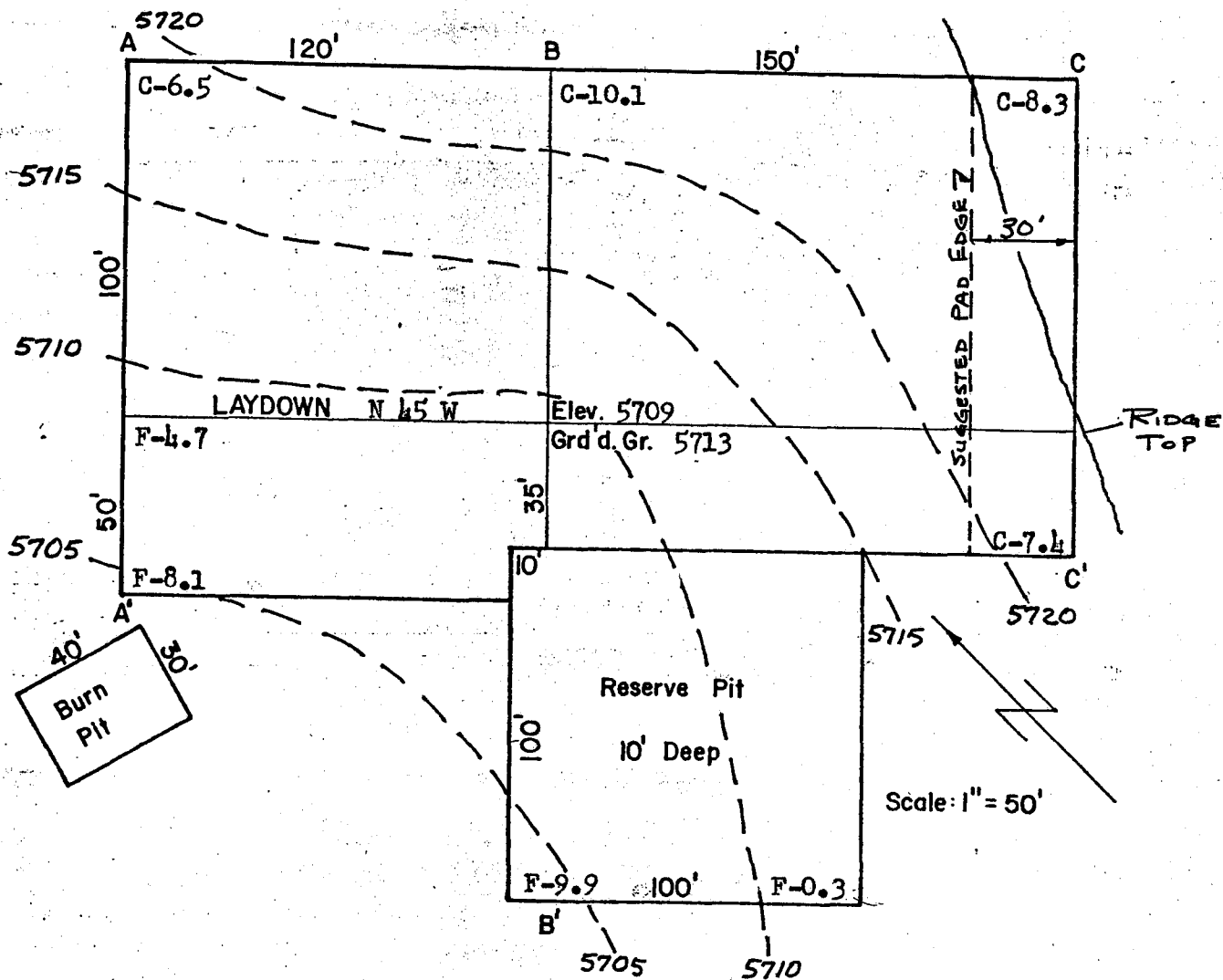
Exhibit C

COLEMAN DRILLING CO.

FRONT OF RIG NO. 3



YATES PETROLEUM CORPORATION
 #3-31 McCRACKEN SPRING
 860' FNL & 2430' FEL
 Sec. 31, T37S, R24E
 San Juan County, Utah



A-A' Vert.: 1" = 30' Horiz.: 1" = 100' C/L

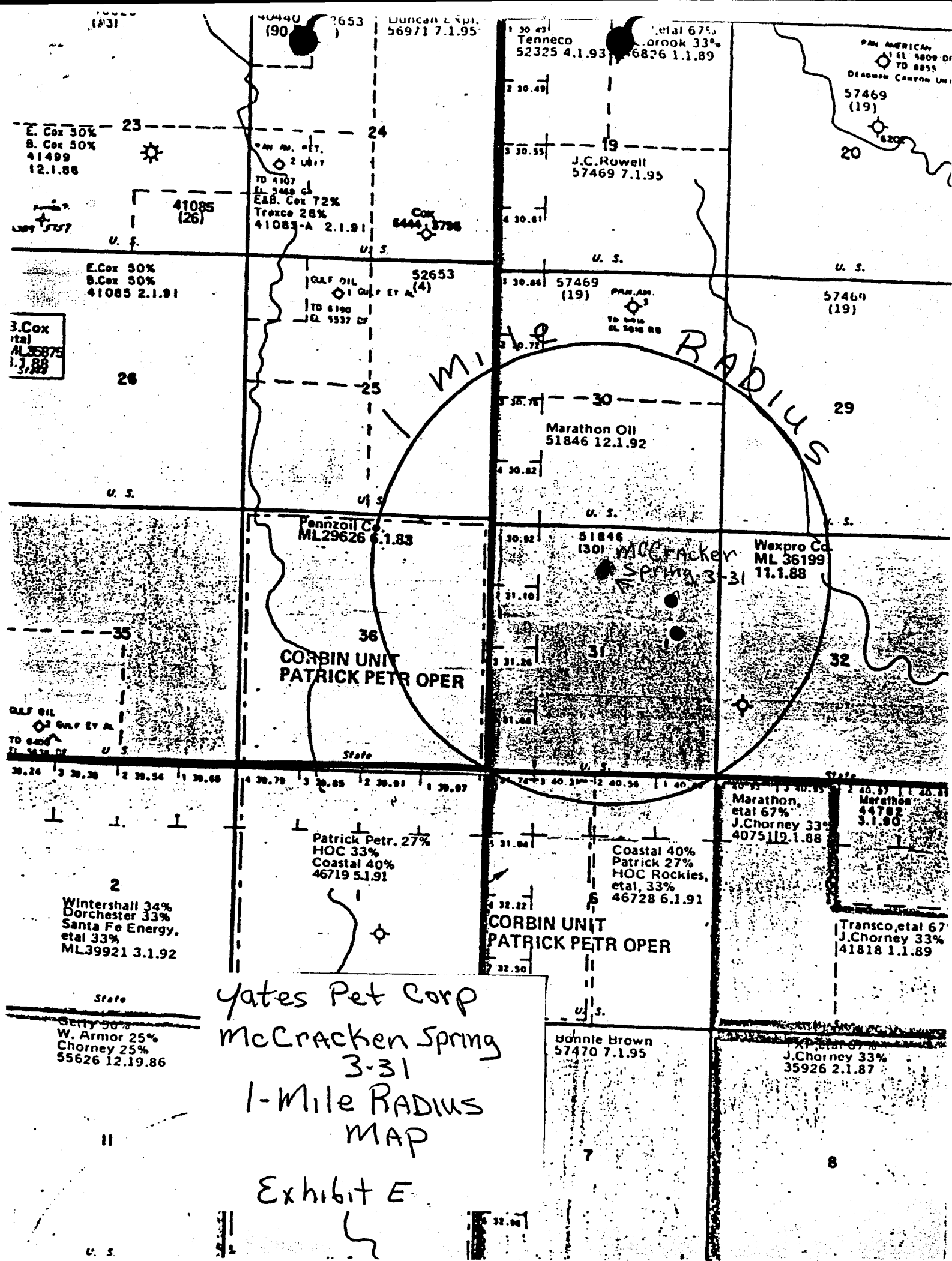
5720						
5710						

B-B'

5720						
5710						

C-C'

5720						
5710						



~~CONFIDENTIAL~~

010701

020901

OPERATOR

Yates Petroleum Corp

DATE

1-2-87

WELL NAME

McCracken Spring 3-31

SEC

NW NE 31

T

37S

R

24E

COUNTY

San Juan

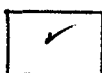
43-037-31299

API NUMBER

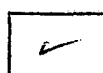
Ind

TYPE OF LEASE

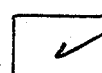
CHECK OFF:



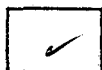
PLAT



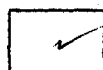
BOND



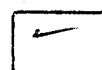
NEAREST
WELL



LEASE



FIELD



POTASH OR
OIL SHALE

PROCESSING COMMENTS:

No other well within 920'

Water & # 09-1494 (T 62208)

Exception requested

APPROVAL LETTER:

SPACING:



203

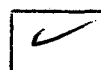
UNIT



302



CAUSE NO. & DATE



302.1

STIPULATIONS:

0218T



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

January 5, 1987

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Gentlemen:

Re: McCracken Spring 3-31 - NW NE Sec. 31, T. 37S, R. 24E
860' FNL, 2430' FEL - San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with Rule 302.1, Oil and Gas Conservation General Rules.

In addition, the following actions are necessary to fully comply with this approval:

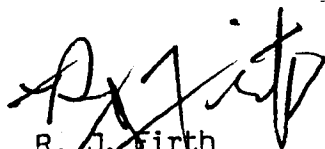
1. - Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
4. Compliance with the requirements and regulations of Rule 311.3, Associated Gas Flaring, Oil and Gas Conservation General Rules.
5. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable State and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 533-6163.

Page 2
Yates Petroleum Corporation
McCracken Spring 3-31
January 5, 1987

6. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31299.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

as
Enclosures
cc: Branch of Fluid Minerals
D. R. Nielson
8159T



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

S. P. YATES
PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. - TREAS.

March 12, 1987

State of Utah
Division of Oil, Gas & Mining
355 West North Tempee
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Attention: Arlene Sollis

Re: Change of Location for:
Yates Petroleum Corporation
McCracken Spring #3-31
860' FNL & 2270' FEL
Section 31, T37S-R24E
San Juan County, Utah

Dear Ms. Sollis:

Per our conversation of March 11, 1987, please find information enclosed for the new location of the McCracken Spring #3-31 well. This well is still un-orthodox. It was moved due to topography. Yates Petroleum Corporation still controls all acreage within a 460' radius of the location.

Your office approved the original non-standard location on December 24, 1986. We would appreciate the same favorable approval for this location.

Thank you for your concern with this matter.

Sincerely,

YATES PETROLEUM CORPORATION

Cy Cowan
Regulatory Agent

CC/bp

Enclosures

RECEIVED
MAR 16 1987

DIVISION OF
OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER Tite Hole

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

105 South Fourth Street, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface

860' FNL & 2270' FEL

At proposed prod. zone

UNORTHODOX LOCATION

Same

PROPER PAPERWORK HAS BEEN SENT TO STATE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* OF UTAH

Approximately 7 miles northwest of Hatch Trading Post

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

860'

16. NO. OF ACRES IN LEASE

906.3

17. NO. OF ACRES ASSIGNED

TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6395'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5724' GR

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48# H-40	Approx. 100'	50 sacks
12-1/4"	8-5/8"	24# J-55	Approx. 2255'	900 sacks - circulate
7-7/8"	5-1/2"	15.5# J-55	TD	400 sacks

We propose to drill and test the Akah and intermediate formations. Approximately 2255' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW to 5500'; fresh water gel to TD. MW 9.0-10.4, Vis 35-45, FL 10-15

BOP PROGRAM: BOP's will be nipped up when intermediate casing is set

RECEIVED
MAR 16 1987

DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Cy Cowan

TITLE Regulatory Agent

DATE March 10, 1987

(This space for Federal or State office use)

PERMIT NO.

43.037.31099

APPROVAL APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

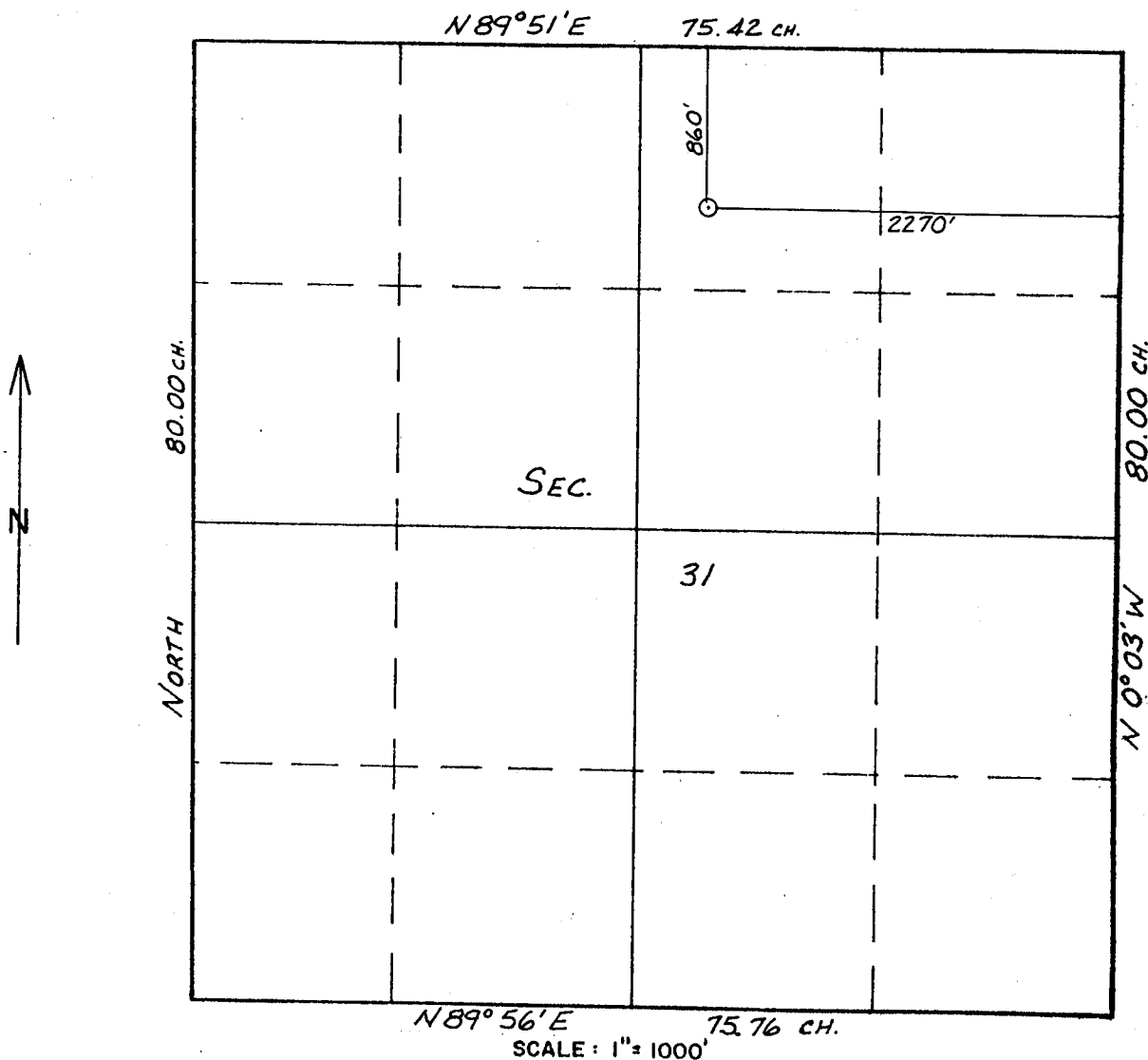
DATE

BY

John A. Day

*See Instructions On Reverse Side

COMPANY ARTES PETROLEUM CORPORATION
LEASE McCRACKEN SPRING WELL NO. 3-31
SEC. 31, T. 37 S, R. 24 E
COUNTY San Juan STATE Utah
LOCATION 860' FNL & 2270' FEL
ELEVATION 5724



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

RECEIVED
MAR 16 1987

SEAL:



William E. Mahnke II
WILLIAM E. MAHNKE II
NEW MEXICO P.L.S. N° 8466

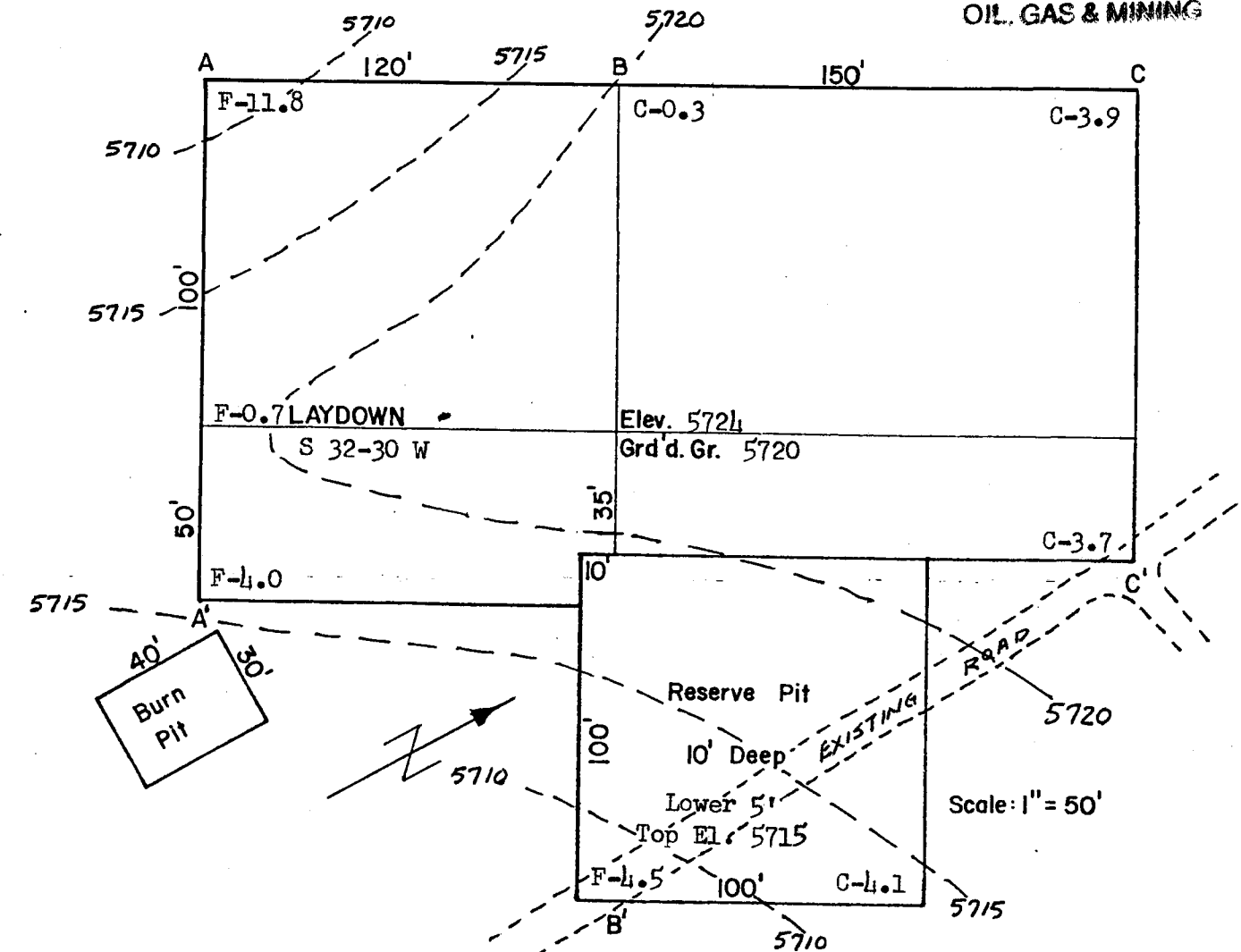
SURVEYED JAN. 12, 19 87

DIVISION OF
OIL, GAS & MINING

YATES PETROLEUM CORPORATION
 # 3-31 McCRACKEN SPRING
 860' FNL & 2270' FEL
 Sec. 31, T37S, R24E
 San Juan County, Utah
 Exhibit D

RECEIVED
 MAR 16 1987

DIVISION OF
 OIL, GAS & MINING



A-A'		Vert.: 1" = 30'	Horiz.: 1" = 100'	C/L	
5720					
5710					

B-B'		Vert.: 1" = 30'	Horiz.: 1" = 100'	C/L	
5720					
5710					

C-C'		Vert.: 1" = 30'	Horiz.: 1" = 100'	C/L	
5720					
5710					

YATES PETROLEUM CORPORATION
3-31 McCracken Spring
860' FNL & 2270' FEL
Sec. 31, T37S, R24E
San Juan County, Utah

YATES PETROLEUM CORPORATION
3-31 McCracken Spring
860' FNL & 2270' FEL
Sec. 31, T37S, R24E
San Juan County, Utah

6. Source of Construction Material:

Pad Construction material will be obtained from: _____

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Construction material (will/will not) be located on lease.

7. Methods of Handling Waste Disposal:

The reserve pit (will/~~will not~~) be lined with ^{native clay or} ~~commercial~~ bentonite sufficient to prevent seepage. At least half of the capacity will be in cut.

Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

A trash pit will be constructed near the mud tanks and dug at least six feet into solid undisturbed material. It will be totally enclosed with a fine wire mesh before the rig moves in. The road and pad will be kept litter free.

A burning permit is required for burning trash between May 1 and October 31. This can be acquired by notifying the San Juan County Sheriff at (801) 587-2237.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed 90 days after initial production. During the 90 day period an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

8. Ancillary Facilities:

Camp facilities (~~will~~/will not) be required. They will be located: N/A

9. Well Site Layout:

The reserve pit will be located: EAST

The top 3 inches of soil material will be removed from the location and stockpiled separate from the trees on the NW side. Topsoil along the access will be reserved in place.

Access to the well pad will be from: the east

RECEIVED
MAR 10 1987

DIVISION OF
OIL & GAS MINING

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER Tite Hole

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

105 South Fourth Street, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface

860' FNL & 2270' FEL

At proposed prod. zone

UNORTHODOX LOCATION

Same

PROPER PAPERWORK HAS BEEN SENT TO STATE

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* OF UTAH

Approximately 7 miles northwest of Hatch Trading Post

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

860'

(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

906.3

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6395'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5724' GR

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48# H-40	Approx. 100'	50 sacks
12-1/4"	8-5/8"	24# J-55	Approx. *2255'	900 sacks - circulate
7-7/8"	5-1/2"	15.5# J-55	TD	400 sacks

RECEIVED
MAR 23 1987

DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Cy Cowan

TITLE Regulatory Agent

DATE March 10, 1987

(This space for Federal or State office use)

PERMIT NO.

43-037-31299

APPROVAL DATE

APPROVED BY

/s/ GENE NODINE

DISTRICT MANAGER

DATE

MAR 18 1987

CONDITIONS OF APPROVAL, IF ANY:

TITLE

FLARING OR VENTING OF
GAS IS SUBJECT OF NTL 4-A
DATED 1/1/80

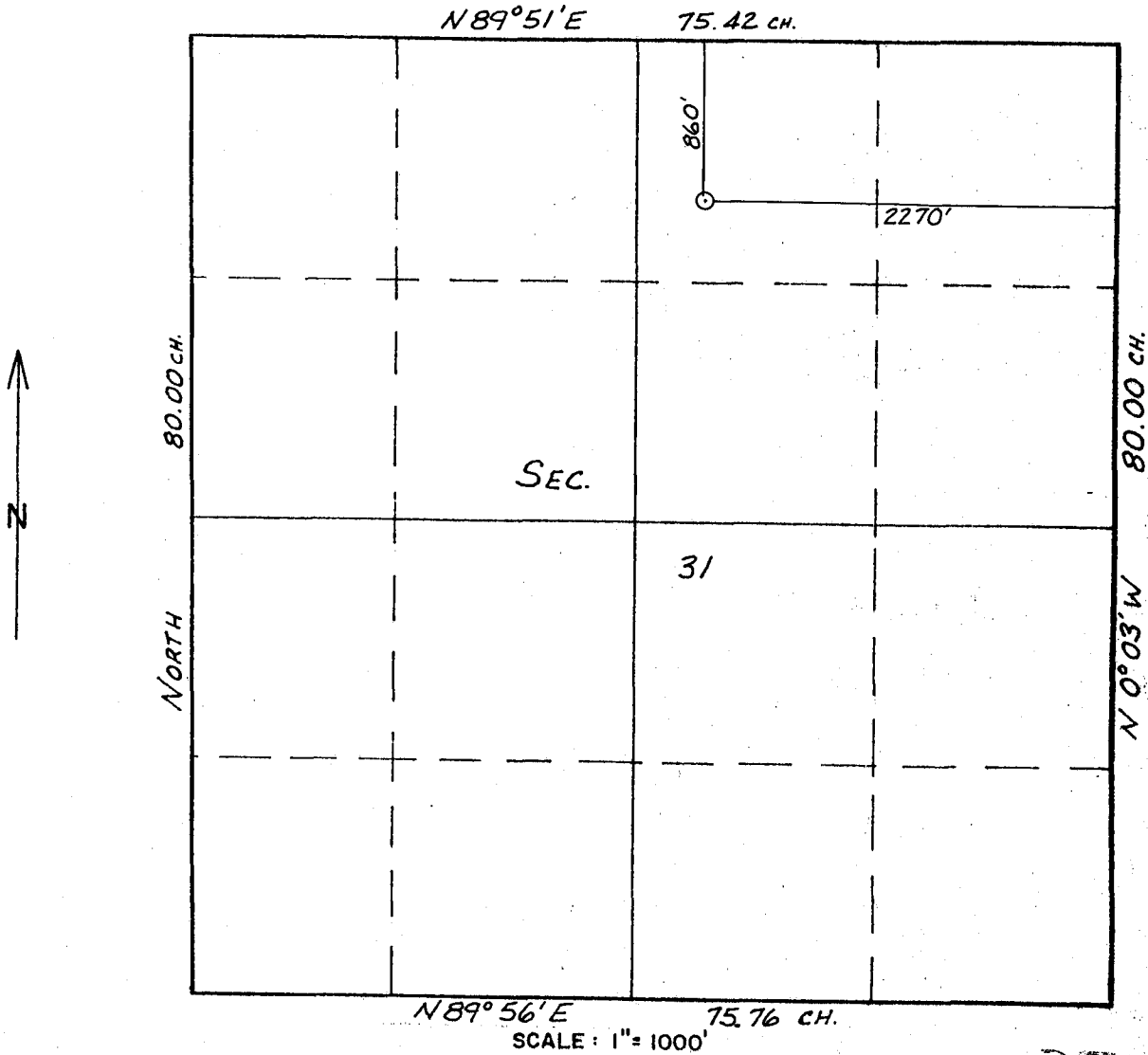
CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

State of Utah - DOGM

COMPANY STATES PETROLEUM CORPORATION
 LEASE McCRACKEN SPRING WELL NO. 3-31
 SEC. 31, T. 37 S, R. 24 E
 COUNTY San Juan STATE Utah
 LOCATION 860' FNL & 2270' FEL
 ELEVATION 5724

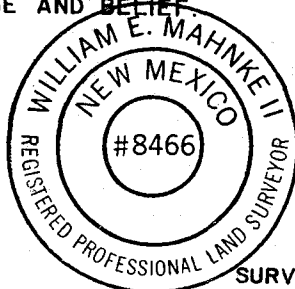


THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

RECEIVED
 MAR 23 1987

DIVISION OF
 OIL GAS & MINING

SEAL:



William E. Mahnke II
 WILLIAM E. MAHNKE II
 NEW MEXICO P.L.S. NO 8466

SURVEYED JAN. 12, 19 87

Yates Petroleum Corporation
Well No. McCracken Spring 3-31
Sec. 31, T. 37 S., R. 24 E.
San Juan County, Utah
Lease U-51846

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

RECEIVED
MAR 23 1987

DIVISION OF
OIL, GAS & MINING

050405

DIVISION OF OIL, GAS AND MINING

SPODDING INFORMATION

API #43-037-31299

NAME OF COMPANY: YATES PETROLEUMWELL NAME: MC CRACKEN SPRING 3-31SECTION NW NE 31 TOWNSHIP 37S RANGE 24E COUNTY San JuanDRILLING CONTRACTOR Coleman DrillingRIG # 3SPUDDED: DATE 4-27-87TIME 8:30 PMHow RotaryDRILLING WILL COMMENCE REPORTED BY Cy CowanTELEPHONE # (505) 748-1471DATE 4-30-87 SIGNED AS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> TITE HOLE		5. LEASE DESIGNATION AND SERIAL NO. U-51846	
2. NAME OF OPERATOR Yates Petroleum Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME 050723	
3. ADDRESS OF OPERATOR 105 South 4th St., Artesia, NM 88210		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 860' FNL & 2270' FEL UNORTHODOX LOCATION - PROPER PAPERWORK HAS BEEN SENT TO STATE OF UTAH.		8. FARM OR LEASE NAME McCracken Spring	
14. PERMIT NO. API #43-037-31299		9. WELL NO. 3-31	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5724' GR		10. FIELD AND POOL, OR WILDCAT Wildcat	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 31-T37S-R24E	
		12. COUNTY OR PARISH San Juan	13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input checked="" type="checkbox"/> Spud well, set surface csg	
(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *

Spudded 17-1/2" hole at 8:30 PM 4-27-87. Drilled to 79'. Reached TD 12:45 AM 4-28-87. Ran casing, would not go. Pick up 20" bit and reamed. Ran 2 joints 13-3/8" 54.5# K-55 casing set 79'. Baffle plate set 39'. Cemented with 200 sacks Class "B" with 3% CaCl2 (yield 1.18, weight 15.6). PD 6:15 AM 4-28-87. Bumped plug, held okay. Circulated 7 sacks cement. Notified Greg Noble, with BLM, Moab, Utah, of spud.

RECEIVED
MAY 04 1987

DIVISION OF
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED Greg Noble TITLE Production Supervisor

DATE 4-28-87

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

DATE _____

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INDIVIDUAL WELL RECORD

		31		

Sec. 31

T. 37 S.

R. 24 E.

SLB& Mer.

Ref. No. _____

Date May 14, 1987

FEDERAL

State Utah

Lease No. 51846 County San Juan

Lessee Marathon Oil Company 100% Field Wildcat

Operator Yates Petroleum Corporation Unit/CA _____

Well Name & No. McCracken Spring 3-31 District Moab

A.P.I. Well No. 43-037-31299 Subdivision NWNE

Location 860' FNL and 2270' FEL

Date Drilling Approved March 18, 1987 Well Elevation 4724 GR Feet

Date Drilling Commenced April 27, 1987 Total Depth 6400 Feet

Date Drilling Ceased May 9, 1987 Initial Production Dry

Oral to Abandon May 9, 1987 Gravity A.P.I. _____

Abandonment Approved (Final) February 2, 1989 Initial Reservoir Pressure _____

Approved May 21, 1991

FAN

GEOLOGIC FORMATIONS

PRODUCTIVE HORIZONS

SURFACE

LOWEST TESTED

NAME

DEPTHS

CONTENTS

Dakota

Akah

SURFACE MANAGEMENT AGENCY BLM

MINERAL OWNERSHIP BLM

LEASE EXPIRATION 11/30/92

WELL STATUS

YEAR	JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
1987				SPUD	Oral to Abn SRA rec'd							
1989		SRA Approved 2/2/89										
1991					FAN approved							

Production Memorandum 2/5/85 Lease Extension Memorandum 7/18/86 Confirmation _____

IWR 1/9/22

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

2

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☒ Other ☐ P&A

b. TYPE OF COMPLETION: NEW WELL ☐ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RENVR. ☐ Other ☐ TITE HOLE

2. NAME OF OPERATOR
Yates Petroleum Corporation

3. ADDRESS OF OPERATOR
105 South 4th St., Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface

860' FNL & 2270' FEL

At top prod. interval reported below

At total depth

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14. PERMIT NO. DATE ISSUED
API #43-037-31299

5. LEASE DESIGNATION AND SERIAL NO.

U-51846

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

051915

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

McCracken Spring

9. WELL NO.

3-31

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 31-T37S-R24E

12. COUNTY OR PARISH
San Juan

13. STATE
Utah

15. DATE SPUDDED 4-27-87 16. DATE T.D. REACHED 5-9-87 17. DATE COMPL. (Ready to prod.) Dry 18. ELEVATIONS (OF, RKB, RT, GR, ETC.)* 5724' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 6400' 21. PLUG, BACK T.D., MD & TVD - 22. IF MULTIPLE COMPL., HOW MANY* - 23. INTERVALS DRILLED BY 0-6400' ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) Dry 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN DLL/MSFL; LDT/CNL; BHC 3-12-87 27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)

CASINO SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	54.5#	79'	17-1/2"	200 SX (236 cu ft)	
8-5/8"	32#	2265'	12-1/4"	1360 SX (1604.8 cu ft)	

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
None				DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION
DATE FIRST PRODUCTION PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) WELL STATUS (Producing or shut-in) P&A 5-10-87

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) TEST WITNESSED BY

35. LIST OF ATTACHMENTS

Logs

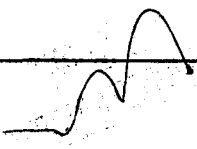
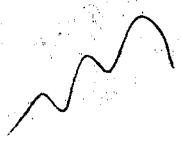
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Francis Goodlett TITLE Production Supervisor DATE 5-14-87

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP TRUE VERT. DEPTH
				Entrada Navajo Chinle Cutler Honaker Trail Paradox Upper Ismay Lower Ismay Up. Desert Creek Lwr. Desert Creek Akah	1024 1230 2137 2921 4810 5876 6026 6194 6273 6328 6372	

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DIVISION OF
OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

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1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> P&A		5. LEASE DESIGNATION AND SERIAL NO. U-51846	
2. NAME OF OPERATOR Yates Petroleum Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR 105 South 4th St., Artesia, NM 88210		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State log. See also space 17 below.) At surface 860' FNL & 2270' FEL		8. FARM OR LEASE NAME McCracken Spring	
14. PERMIT NO. API #43-037-31299		9. WELL NO. 3-31	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5724' GR		10. FIELD AND POOL, OR WILDCAT Wildcat	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 31-T37S-R24E	
		12. COUNTY OR PARISH San Juan	13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
(Other)	<input type="checkbox"/>		<input type="checkbox"/>

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
FRACTURE TREATMENT	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ABANDONMENT*	<input checked="" type="checkbox"/>
(Other)	<input type="checkbox"/>		<input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

TD 6400'. Plugged well as follows:

Plug #1 6013' 40 sacks Class "B" Neat. PD 4:00 AM 5-10-87
Plug #2 2324' 40 sacks Class "B" with 3% CaCl₂. PD 6:45 AM 5-10-87
Plug #3 93' 30 sacks Class "B" with 3% CaCl₂. PD 9:30 AM 5-10-87

Installed dry hole marker. Cleaned location.

18. I hereby certify that the foregoing is true and correct

SIGNATURE *James A. Doolittle*

TITLE Production Supervisor

DATE 5-13-87

(This space for Federal or State office use)

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE

ACCEPTED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE 5-19-87

BY *John R. B...*

*See Instructions on Reverse Side